Support the Tennessee Housing Development Agency's efforts to expand and preserve affordable housing supply, prioritizing the regions and household types where the gap is greatest for families with children.

The Problem

When TCCY surveyed Tennesseans this summer about the challenges facing children and families, housing affordability and stability came out on top, and it wasn't close. Of 652 responses from 88 of Tennessee's 95 counties, 82% of respondents named housing affordability and stability as a challenge, ahead of poverty (71%) and access to affordable child care (70%).[1] When asked to rank their top concern, housing placed in more respondents' top three than anything else, and when asked where they'd direct new state funding, affordable housing led again, at 20%, nearly double the next-highest priority.[1]

From 2015 to 2024, the median household income in Tennessee grew 52%, but the median home sales price grew 200%, from $175,000 to over $350,000, and median rent climbed 64%.[2] In 2024, just 32% of homes sold in Tennessee were affordable to the median household, down from 71% only five years earlier.[2] In 2024, 11% of Tennessee households spent more than half of their income on housing. That percentage rose to more than 15% among the three highest counties (Shelby, Davidson, and Madison).[3]

Many of Tennessee's affordable housing units were built in the years following the Great Recession using the Low-Income Housing Tax Credit. These properties have reached the point in the LIHTC timeline where affordability restrictions can expire. Over the next decade, 42,621 LIHTC units across Tennessee will reach that point, and the state is on track to lose units to expiration faster than new affordable units are being added, meaning Tennessee's total affordable housing stock is projected to start shrinking within the next ten years.[4]

Why this Matters

Stable housing is foundational to a child's development, health, and education, and it's the thing Tennesseans told us they need most. Housing instability and affordability are not only being identified as an issue facing children, Tennesseans also report that finding help is hard. Among those who ranked housing as the number one issue facing children and youth, 96% reported that if a family in their community needed help with housing, finding support would be somewhat to very hard.[5]
It's also not evenly distributed as a problem. THDA's research shows fast-growing regions like Nashville, Knoxville, and Clarksville are short on supply outright, needing an estimated 315,000 new homes statewide by 2035 to meet demand.[2] Slower-growing areas like Memphis and Cleveland face a different problem: aging and substandard housing stock, where more than 40% of vacant units are substandard quality, inflating the on-paper availability numbers without actually giving families a livable option.[2]

How we can fix it

- Prioritizing preservation funding for LIHTC properties approaching the end of their affordability restrictions, particularly in high-demand urban markets where lost affordability is unlikely to ever be replaced, and in rural communities where these properties may be the only affordable option available
- Prioritizing new production funding in the state's highest-shortage, fastest-growing regions, where the gap between demand and supply is most acute
- Supporting rehabilitation of substandard housing stock in slower-growing regions, where the problem isn't a lack of units but a lack of livable ones
- Continuing to invest in deeply subsidized rental housing for the state's extremely low-income renters, where the private market alone will not close the gap.

Quick Facts

From 2015 to 2024, Tennessee Median Household Income increased

52%

but median home sales prices and median rent increased by

200% & 64%

respectively.[2]

In 2024, **11%**

of Tennessee households spent more than half of their income on housing. In Shelby, Davidson & Madison that figure rose to more than 15%.[3]

References

Support the Tennessee Housing Development Agency's efforts to expand and preserve affordable housing supply, prioritizing the regions and household types where the gap is greatest for families with children.

1. Tennessee Commission on Children and Youth Survey of Child and Family Needs. Survey conducted from July 20, 2026 – August 18, 2026. Unweighted data based on 652 complete survey responses from 88 of Tennessee's 95 counties.

2. Tennessee Housing Development Agency. (2026). 2026 Tennessee Housing Market at a Glance: Overview.

3. U.S. Census Bureau, American Community Survey (2025). Housing Costs as a Percentage of Household Income in the Past 12 Months, ACS 2020-2024 5-Year Estimates Detailed Tables, Table B25140. Note: Includes rented, owned and mortgaged homes.

4. Tennessee Housing Development Agency. (2026) Preserving Affordable Rental Homes in Tennessee, The LIHTC Story and What Comes Next — Preliminary Analysis.

5. Tennessee Commission on Children and Youth Survey of Child and Family Needs. Survey conducted from July 20, 2026 – August 18, 2026. Unweighted data. Includes respondents who identified housing as a number one priority but did not respond to the question regarding difficulty obtaining help.